

IOWA FINANCE AUTHORITY[265]

Notice of Intended Action

Twenty-five interested persons, a governmental subdivision, an agency or association of 25 or more persons may demand an oral presentation hereon as provided in Iowa Code section 17A.4(1)“b.”

Notice is also given to the public that the Administrative Rules Review Committee may, on its own motion or on written request by any individual or group, review this proposed action under section 17A.8(6) at a regular or special meeting where the public or interested persons may be heard.

Pursuant to the authority of Iowa Code sections 17A.3(1)“b” and 16.5(1)“r,” the Iowa Finance Authority proposes to amend Chapter 10, “Mortgage Credit Certificates,” Iowa Administrative Code.

These amendments propose to amend rules 265—10.2(16) and 265—10.4(16), pertaining to the fees charged by the Iowa Finance Authority for issuing mortgage credit certificates.

The Authority does not intend to grant waivers under the provisions of any of these rules, other than as may be allowed under the Authority’s general rules concerning waivers.

The Authority will receive written comments on the proposed amendments until 4:30 p.m. on December 2, 2014. Comments may be addressed to Deb Haugh, Director of Single Family Production, Iowa Finance Authority, 2015 Grand Avenue, Des Moines, Iowa 50312. Comments may also be faxed to Deb Haugh at (515)725-4983 or e-mailed to deb.haugh@iowa.gov.

The Authority may make changes to the proposed amendments based on comments received from the public.

After analysis and review of this rule making, no impact on jobs is foreseen.

These amendments are intended to implement Iowa Code sections 16.5(1)“r,” 16.5(1)“m,” 17A.12, and 17A.16.

The following amendments are proposed.

ITEM 1. Amend rule 265—10.2(16) as follows:

265—10.2(16) Participating lenders. The authority will disseminate a summary of the MCC program to mortgage lenders operating within Iowa. Each branch office of a mortgage lender is deemed to be a separate mortgage lender. Any mortgage lender as defined in Iowa Code section 16.1 may become a participating lender by entering into an MCC lender participation agreement with the authority. All other participating lenders may take applications for MCCs on loans closed after the effective date of the participation agreement. Each participating lender shall pay a \$100 annual participation fee. The authority shall set and post on its Web site annual participation fees to be paid by participating lenders as a condition of participating in the MCC program.

ITEM 2. Amend rule 265—10.4(16) as follows:

265—10.4(16) MCC procedures. Applications for MCCs may be made with any participating lender. The applicant shall provide the lender with all information that is necessary to secure a mortgage loan and an MCC. An applicant must meet the eligibility requirements set out in rule 265—10.3(16). If the eligibility requirements are met, the participating lenders may nonetheless deny a loan, subject to all reporting and disclosure requirements of applicable state and federal law, for any reason premised on sound lending practices, including underwriting risk evaluation, portfolio diversification, and limitations on restrictions on investments or available funds. If the loan is approved, the terms of the loan, including interest rate, length of loan, down payment, fees, origination charge and repayment schedule, shall not be greater than those available to similar customers that do not make application for an MCC. However, the lender may collect a one-time MCC commitment fee of up to \$200, which may be paid by the borrower, lender, or any other party. Of this fee, \$100 An MCC program application fee must accompany the MCC application and be submitted to the authority by the lender. The balance of the fee may be kept by the lender as compensation for processing the MCC. The amount of the maximum allowable MCC

commitment fee and the amount of the MCC program application fee shall be set by the authority from time to time and posted on the authority's Web site.

No MCC will be issued unless the requirements and procedures set out in the MCC program guide are complied with by all parties to the home sale and financing.

ITEM 3. Amend **265—Chapter 10**, implementation sentence, as follows:

These rules are intended to implement Iowa Code section ~~16.15, subsection 7.~~ 16.5(1) "m."